NOTES

1. Papers selected for inclusion in General Sessions will be available at the Conference in the following official languages of the United Nations: English, French, Russian and Spanish.

2. Papers selected for inclusion in Specialized Sessions will be available at the Conference in only one of the above official languages.

3. Summaries of all papers, as submitted by contributors, will be available at the Conference in the following official languages of the United Nations: English, French, Russian and Spanish.

4. Papers and summaries will not be available for general distribution in advance of the Conference. They will be published in advance in limited quantities only for the use of delegations of participating governments and of other authorized participants. Post-Conference publication and general distribution of the Conference Proceedings will follow United Nations practices as laid down by the United Nations Publications Board.

ECONOMIC DEVELOPMENT PLANNING IN LATIN AMERICA

by the

Secretariat of the United Nations Economic Commission for Latin America

SUMMARY

1. One of the most important events in recent years in relation to the assimilation of technical advances designed to speed up Latin America's economic development is the initiation of systematic efforts to plan its economic and social growth. To one degree or another all the countries in the region are engaged in improving their administrative organization and in putting programming schemes and methods into practice, adapting them to their own peculiar conditions with a view to the definition and application of a planned development policy.

2. Although the practical work directed towards that end began only a short while ago, the method of approach suggests that the concept of planning that Latin America is adopting is comprehensive is scope, since it is not confined to the achievement of partial results but is intended to provide an effective yardstick that could be used for a variety of purposes, i.e., for investment programmes, for the planning of economic policy, for the over-all economy or its principal sectors, for action at the national or regional level, etc.

3. In short, the efforts being made are designed to inculcate in Latin America a planning concept that will make for improved distribution of investment; serve as a basis for the definition of a clear and resolute development policy that will help to increase the extend and efficacy of the basic social services; expedite the introduction of far-reaching structural reforms while ensuring satisfactory results from them; and facilitate and guide the steps already taken towards regional integration.

4. The first practical action taken in the field of planning will naturally be unable to satisfy all these requirements at once. It is only in the last three years that the systematic preparation of plans and programmes has been instituted, paying proper regard to the scope and depth which the planning process should eventually reach - though it is not immediately attainable.

5. There is no uniformity whatsoever in these efforts, as regards either the eventual implications of planning or the immediate procedures for its implementation. But it is fundamentally believed that an instrument must be devised which is in keeping with the peculiar conditions prevailing in Latin America, and that, besides a knowledge of the progress being made in other regions, it is necessary to investigate and study the experience of the Latin American countries themselves so that general methodological principles can be gradually evolved, and the ways of preparing and executing plans worked out that are best suited to the characteristics of the region.

6. With respect to the methodological approach, the efforts made generally aim at the formulation of plans that embrace the whole economy and give due consideration to long-term implications, i.e., they follow the concept of over-all planning. Within this framework, the guide-lines for practical action are determined by the more detailed definition of what has to be done during the initial stages, so that short and long-term plans form two stages in a single planning process rather than

two distinct instruments. Similarly, the preliminary aggregate projections are classified by sectors of activity, the result being sectoral plans forming part of the over-all plan. In other words, they constitute what may be termed a sectoral approach rather than something separate from the over-all plan. The sectoral plans in their turn embody criteria governing the geographical location of the action involved, which means that the regional plans too are part of the over-all plan.

7. A planning effort on this scale is hard to reconcile with the maintenance of a public sector organized on traditional lines, based on principles established long ago in conditions very different from those now prevailing. This is why one of the first concerns of the Latin American countries in this field is to make their administrative structure capable of meeting the demands of planning. In many cases the first step has been to establish small central technical offices, generally directly under the Office of the President, and to entrust them with the preparatory work and the task of co-ordinating sectional plans and programmes so that they fit smoothly into a general plan. Some countries have also established high-level councils or boards at the corresponding administrative level.

8. The technical work done by the central offices is supplemented and reinforced by the work of sectoral and regional planning offices that are beginning to be set up in some countries within ministries and at other levels of the public administration and of the country's political and administrative structure. This makes for a descentralization of planning activities, but it ensures at the same time that sectoral plans are properly organized and consistent by reserving to the central office the responsibility for submitting the final version of the draft over-all economic and social development plan.

9. Thus the long-term concept is that of real planning pyramid, which will gradually take in the whole of the government administration. This will ensure that when the final plans are formulated they will take account of sectoral and regional activities and needs, and that those responsible for executing the plan participate actively in the planning process.

10. The foregoing is being complemented by the reform of budgetary systems and machinery through the application of programme and performance budgeting techniques, which are making it possible to use the national budget as an effective planning instrument. For this reason special attention has been devoted to the necessity for establishing close links between the new central planning offices and the budget office, and to giving the planning offices an active part in the budgetary process.

11. As is to be expected, the planning efforts being made by many Latin American countries are encountering serious obstacles, and international financial assistance is playing the chief part in surmounting these. For instance, the special programmes for training professional staff in Latin America in the field of economic development, research on planning techniques suited to conditions in the region, and direct advisory services to the Governments of the region through a special programme of Advisory Groups, represent some of the ways in which the United Nations Economic Commission for Latin America has been supporting these efforts. Moreover the recent establishment of the Latin American Institute for Economic and Social Planning, under the auspices of ECLA, opens up the way for further strengthening of international technical assistance in these fields. Additional contributions to this end are made through other machinery for international aid and through countries outside Latin America.

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